Important New Disclosure and Consumer Protections Championed By

Rep. Gutierrez In The House Included in Conference Report

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(Washington, DC) – Today, Rep. Luis V. Gutierrez (D-IL-4), Chairman of the House Subcommittee on Financial Institutions and Consumer Credit and a conferee on the Wall Street reform bill, declared that a significant and hard-fought victory for consumers, especially immigrant consumers, was included in the final conference report on the Wall Street reform bill. Remittances -- the money sent from a person in the U.S. to family and loved ones in a foreign country -- will now be governed by basic consumer protections and oversight.

"I have been trying to establish basic consumer protections in this multi-billion dollar industry for more than a decade," Gutierrez said. "This is a major victory for the millions who send home billions. This will give them a little more piece of mind, a little more transparency, and a lot more confidence that they can fight back if they are getting ripped off."

Among the most significant of the protections for remittance senders included in the legislation are:

- Mandating transparency: the fees, exchange rate, total cost of the transaction, and the amount to be received (in the relevant currency) on the other end of the wire must be included and clearly disclosed on a consumer's receipt;

- Requiring that the newly created Consumer Financial Protection Bureau establish strong standards for clear and concise signage in each store that will detail the cost of remittances, the rights of a consumer to correct any errors in a transaction, and the contact information of appropriate state and federal regulators if they have a complaint;

- Ensuring that language is not a barrier to being treated fairly: all disclosures under these new consumer protections will be made in the language that the transfer was advertised, negotiated, or finalized in;

- Inclusion of these protections in the Electronic Funds Transfer Act, which allows for a private right of action against anyone who violates these protections.

"It's just adding common sense to the process," Rep. Gutierrez said. "When you go to a restaurant, you get an itemized bill that says how much each part of your meal sets you back, including the tax. You don't get a total that includes the tip. Thisensures the fees are not hidden, the cut for the wire transfer company is not a secret, and you know who to talk to if you think someone is stealing your money. It shouldn't have taken us so many years to get to this very fundamental starting point."

Individuals in the United States sent about $137.7 billion in remittances last year with Mexico receiving about $21.5 billion, India receiving $13.3 billion and China $12.8 billion in 2009, according to research conducted by the Congressman's office staff.

"I got involved in this issue because my constituents and many others throughout the country were being taken advantage of by unfair fees and exchange rates," Rep. Gutierrez said. "By including these important terms in the receipt, consumers will have the information they need to shop around, get the best price for their transaction, and avoid confusing and abusive fees and rates."

The reforms to remittance transfer disclosures and additional consumer protections were included last night in a much larger package of historic financial reforms, H.R. 4173, The Wall Street Reform and Consumer Protection Act. The remittance disclosure reforms were championed in the Senate by Sen. Daniel K. Akaka (D-HI) and were agreed to during conference committee negotiations Thursday. They are merely one of a long list of reforms included in the legislation that Rep. Gutierrez fought for during the conference. The legislation is expected to be passed by both chambers next week with the goal of being on the President's desk for signature by July 4.

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